



CITY OF MORGAN HILL

**CITY COUNCIL
MORGAN HILL REDEVELOPMENT AGENCY**

COUNCIL CHAMBERS

17555 PEAK AVENUE MORGAN HILL CALIFORNIA 95037-4128

COUNCIL MEMBERS

Dennis Kennedy, Mayor
Greg Sellers, Mayor Pro Tempore
Hedy L. Chang, Council Member
Steve Tate, Council Member
Larry Carr, Council Member

REDEVELOPMENT AGENCY

Dennis Kennedy, Chair
Larry Carr, Vice-Chair
Hedy L. Chang, Agency Member
Steve Tate, Agency Member
Greg Sellers, Agency Member

WEDNESDAY, SEPTEMBER 5, 2001

AGENDA

JOINT MEETING

CITY COUNCIL SPECIAL & REGULAR MEETING

and

REDEVELOPMENT AGENCY SPECIAL MEETING

*A Special Meeting Is Called at 5:30 P.M. for the Purpose
of Conducting Closed Sessions.*

Dennis Kennedy, Mayor/Chairperson

5:30 - 7:00 P.M.

CALL TO ORDER

(Mayor/Chairperson Kennedy)

ROLL CALL ATTENDANCE

(City Clerk/Agency Secretary Torrez)

DECLARATION OF POSTING OF AGENDA

Per Government Code 54954.2
(City Clerk/Agency Secretary Torrez)

5:30 P.M.

CLOSED SESSION:

1.

PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Title: City Attorney
Authority: Government Code 54957

6:30 P.M.

2.

CONFERENCE WITH LEGAL COUNSEL - POTENTIAL AND EXISTING LITIGATION:
CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Legal Authority: Government Code 54956.8 & 54956.9(a) & (c) (1 potential case)
Real Property(ies) involved: APN 728-31-007 & 008; 25.50 acres located on the southwesterly side of
Cochrane Road (St. Louise Hospital property)
City Negotiators: Agency Members; Executive Director; Agency Counsel; F. Gale Conner,
special counsel; Rutan & Tucker, special counsel
Case Name: San Jose Christian College v. City of Morgan Hill
Case Number: Santa Clara County Superior, No. CV 799179
Closed Session Topic: Potential Existing Litigation/Real Estate Negotiations

3.

CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Significant Exposure to Litigation
Authority: Government Code Section 54956.9(b)
Two (2) Cases

4.

CONFERENCE WITH LEGAL COUNSEL - REAL PROPERTY NEGOTIATOR

Legal Authority: Government Code 54956.8
Real Property Involved: 17.58 acre parcels located on the east side of Condit Road, bound by Condit
Road, Tennant Avenue, Barrett Avenue and Murphy Avenue (APN 817-13-017)
Negotiating Parties:
For City/Agency: City Manager/Executive Director; City Attorney/Agency Counsel; Director of
Business Assistance & Housing Services
For Property Owners: Virginia Lomanto Trustee
Closed Session Topic: Acquisition of Real Property

5.

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Authority: Government Code Section 54956.9(a)
Name of Case: City of San Jose v. Morgan Hill Unified School District, City of Morgan Hill
Case Number: Superior Court, County of Santa Clara CV794073

6.

CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Initiation of Litigation Pursuant to Government Code Section 54956.9(c) (1 potential case)

OPPORTUNITY FOR PUBLIC COMMENT

ADJOURN TO CLOSED SESSION

RECONVENE

CLOSED SESSION ANNOUNCEMENT

7:00 P.M.

SILENT INVOCATION

PLEDGE OF ALLEGIANCE

INTRODUCTIONS

PRESENTATION

Certificate of Achievement for Excellence in Financial Reporting
Finance Department Staff

PROCLAMATIONS

National Alcohol and Drug Addiction Recover Month

Constitution Week

September 17-23, 2001

CITY COUNCIL REPORT

Council Member Chang

CITY MANAGER'S REPORT

CITY ATTORNEY'S REPORT

PUBLIC COMMENT

NOW IS THE TIME FOR COMMENTS FROM THE PUBLIC REGARDING ITEMS NOT ON THIS AGENDA.

(See notice attached to the end of this agenda.)

**PUBLIC COMMENTS ON ITEMS APPEARING ON THIS AGENDA WILL BE TAKEN AT THE TIME THE
ITEM IS ADDRESSED BY THE COUNCIL. PLEASE COMPLETE A SPEAKER CARD AND PRESENT
IT TO THE CITY CLERK.**

(See notice attached to the end of this agenda.)

**PLEASE SUBMIT WRITTEN CORRESPONDENCE TO THE CITY CLERK/AGENCY SECRETARY. THE CITY
CLERK/AGENCY SECRETARY WILL FORWARD CORRESPONDENCE TO THE CITY
COUNCIL/REDEVELOPMENT AGENCY.**

CONSENT CALENDAR: The Consent Calendar, Agenda Items #1 through #12 and Items #13 through #16 may be acted upon with one motion, a second and the vote from each respective agency. The Consent Calendar items are of a routine or generally uncontested nature and may be acted upon with one motion. Pursuant to Section 5.1 of the City Council Rules of Conduct, any member of the Council or public may request to have an item pulled from the Consent Calendar to be acted upon individually.

City Council Action

	Page
Time Estimate	
Consent Calendar: 1 - 10 Minutes	
1) <u>SUBDIVISION APPLICATION SD-00-10: MALAGUERRA - MANCIAS</u>	1
<u>Recommended Action(s):</u> <u>Take No Action</u> , Thereby Concurring with the Planning Commission's Decision Regarding Approval of the Subdivision Map.	
2) <u>RESIDENTIAL DEVELOPMENT CONTROL SYSTEM (RDCS) 2001 QUARTERLY REPORT NO. 3</u>	31
<u>Recommended Action(s):</u> <u>Accept</u> Report by Minute Action.	
3) <u>PURCHASE REPLACEMENT POLICE PATROL VEHICLES</u>	47
<u>Recommended Action(s):</u>	
1. <u>Authorize</u> the Purchase of Two Replacement Police Patrol Vehicles at a Total Cost of \$54,960, and	
2. <u>Declare</u> the Outgoing Vehicles Surplus and Authorize Their Sale at Auction.	
4) <u>ACCEPTANCE OF SUBDIVISION IMPROVEMENTS FOR TRACT 9203, MISSION RANCH PH. III</u>	49
<u>Recommended Action(s):</u>	
1. <u>Adopt</u> Resolution No. 5523 Accepting the Subdivision Improvements included in Tract 9203, commonly Known as Mission Ranch Ph. III, and	
2. <u>Direct</u> the City Clerk to File a Notice of Completion with the County Recorder's Office.	
5) <u>ACCEPTANCE OF SUBDIVISION IMPROVEMENTS FOR TRACT 9260, CENTRAL PARK PH. IV</u>	55
<u>Recommended Action(s):</u>	
1. <u>Adopt</u> Resolution No. 5524 Accepting the Subdivision Improvements included in Tract 9260, commonly Known as Central Park Ph. IV, and	
2. <u>Direct</u> the City Clerk to File a Notice of Completion with the County Recorder's Office.	
6) <u>ACCEPTANCE OF SUBDIVISION IMPROVEMENTS FOR TRACT 9060, MONTE VERDE</u>	61
<u>Recommended Action(s):</u>	
1. <u>Adopt</u> Resolution No. 5525 Accepting the Subdivision Improvements included in Tract 9060, commonly Known as Monte Verde and	
2. <u>Direct</u> the City Clerk to File a Notice of Completion with the County Recorder's Office.	
7) <u>AGREEMENT WITH THE STROMBOTNE LAW FIRM</u>	67
<u>Recommended Action(s):</u> <u>Authorize</u> the City Manager to Execute a Second Amended Consultant Agreement with the Strombotne Law Firm.	

8)	<u>AWARD OF CONTRACTS FOR 2001-02 STREET RESURFACING AND RECONSTRUCTION PROJECT-PHASE I</u>	81
	<u>Recommended Action(s):</u>	
	1. <u>Appropriate</u> an Additional \$150,000 from the Unappropriated Street Fund Balance to Provide Additional Funding for the Project;	
	2. <u>Award</u> Contract to Granite Construction Company for the Construction of the 2001-02 Phase I Street Resurfacing and Reconstruction Project in the Amount of \$2,257,801.02; and	
	3. <u>Approve</u> Professional Services Contract with Harris and Associates for Inspection Services and Project Administration for \$96,150.	
9)	<u>APPROVAL OF RIGHT-OF-WAY PURCHASE AGREEMENTS FOR BUTTERFIELD EXTENSION, PH IV PROJECT (APN: 817-59-001, 817-59-007, AND 817-59-006)</u>	87
	<u>Recommended Actions(s):</u> <u>Authorize</u> the City Manager to Execute Purchase Agreements with the Owners of APNs 817-59-001, 817-59-007 and 817-59-006 for Total Compensation of \$489,400 Plus Escrow and closing Costs for the Acquisition of These Properties.	
10)	<u>FINAL MAP APPROVAL FOR CAPRIANO (TRACT 9264), PHASE II</u>	91
	<u>Recommended Action(s):</u> <u>Approve</u> and <u>Authorize</u> the Recordation of the Final Map.	
11)	<u>CITY POSITION ON LEAGUE OF CALIFORNIA CITIES RESOLUTIONS</u>	95
	<u>Recommended Action:</u> <u>Approve</u> Subcommittee Recommendation on Direction to the Morgan Hill Voting Delegates to the League of California Cities Conference.	
12)	<u>APPROVE SPECIAL CITY COUNCIL MEETING MINUTES OF AUGUST 15, 2001</u>	109

City Council & Redevelopment Agency Action

	Time Estimate	Page
	Consent Calendar: 1 - 10 Minutes	
13)	<u>GMP METAL PLATING SEWER FEE AND SMALL BUSINESS LOANS</u>	111
	<u>Recommended Action(s):</u> <u>Authorize</u> the City Manager/Executive Director to Do Everything Necessary and Appropriate to Provide GMP Metal Plating a Five Month Deferral in the Payments of the Principal for Both the City Sewer Fee Financing Agreement and the Redevelopment Agency Small Business Fee Deferral Agreement, Provided GMP Makes Interest Only Payments on the Sewer Fee Financing Agreement.	
14)	<u>APPROVAL OF CONTRACT FOR DOWNTOWN PLAN UPDATE CONSULTANT SERVICES</u>	115
	<u>Recommended Action(s):</u> <u>Authorize</u> the City Manager to Execute a Consultant Services Agreement for Contract Consultant Services at a Cost Not to Exceed \$178,884.	
15)	<u>APPROVE SPECIAL AND REGULAR CITY COUNCIL AND SPECIAL REDEVELOPMENT AGENCY MEETING MINUTES OF AUGUST 15, 2001</u>	133
16)	<u>APPROVE SPECIAL AND REGULAR REDEVELOPMENT AGENCY AND SPECIAL CITY COUNCIL MEETING MINUTES OF AUGUST 22, 2001</u>	149

City Council Action

PUBLIC HEARINGS:

	Time Estimate		Page
17)	20 minutes	<u>ZONING AMENDMENT AND DEVELOPMENT AGREEMENT APPLICATIONS, ZA-00-19/DA-00-05: MALAGUERRA - MANCIAS</u>	155
		Recommended Action: Request staff presentation.	
		Public Hearing opened.	
		Please limit your remarks to 3 minutes. Public Hearing closed.	
		Council discussion.	
		Action - <u>Motion to Approve</u> Mitigated Negative Declaration.	
		Action- <u>Motion to Waive</u> the Reading in Full of the Ordinance No. 1529, N.S., Approving the Residential Planned Development (RPD).	
		<u>Motion to Introduce</u> Ordinance No. 1 529, N.S. by Title Only.	
		Action- <u>Motion to Waive</u> the Reading in Full of the Ordinance No. 1530, N.S., Approving the Development Agreement (DA).	
		<u>Motion to Introduce</u> Ordinance No. 1 530, N.S. by Title Only.	
18)	15 minutes	<u>ZONING AMENDMENT APPLICATION ZA01-14: MONTEREY - WEST COAST BEAUTY SUPPLY</u>	197
		Recommended Action: Request staff presentation.	
		Public Hearing opened.	
		Please limit your remarks to 3 minutes. Public Hearing closed.	
		Council discussion.	
		Action- <u>Motion to Waive</u> the Reading in Full of the Ordinance No. 1531, N.S., Approving the Planned Unit Development Amendment (PUD).	
		<u>Motion to Introduce</u> Ordinance No. 1 531, N.S. by Title Only.	
19)	15 minutes	<u>ORDINANCE REGARDING MASSAGE ESTABLISHMENTS</u>	211
		Recommended Action: Request staff presentation.	
		Public Hearing opened.	
		Please limit your remarks to 3 minutes. Public Hearing closed.	
		Council discussion.	
		Action- <u>Motion to Waive</u> the Reading in Full of the Ordinance No. 1528, N.S., Enacting Chapter 5.32 (Massage Establishments) of Title 5 (Business Taxes, Licenses and Regulations) of the Municipal Code Regarding Regulation of Massage Establishments.	
		<u>Motion to Introduce</u> Ordinance No. 1 528, N.S. by Title Only.	

City Council and Redevelopment Agency Action

PUBLIC HEARINGS:

	Time Estimate		Page
20)	5 minutes	<u>AUTHORIZING THE REDEVELOPMENT AGENCY TO PAY FOR THE DEVELOPMENT OF THE AQUATICS COMPLEX</u>	235

Recommended Action: Request staff presentation.
Public Hearing opened.
Please limit your remarks to 3 minutes. Public Hearing closed.
Council/Agency discussion.

City Council/Redevelopment Agency Action

Approve the Payment by the Agency of All of the Value of the Land for and All or Part of the Cost of the Installation and Construction of an Aquatics Complex and Related Improvements to Serve the Ojo De Agua Community Project Area by Doing the Following:

City Council Action

Action- **Adopt** Resolution No. 5521.

Redevelopment Agency Action

Action- **Adopt** Resolution No. MHRA-239.

City Council and Redevelopment Agency Action

OTHER BUSINESS:

	Time Estimate		Page
21)	5 minutes	<u>APPROVE AGREEMENT WITH UNION PACIFIC RAILROAD (UPRR) FOR AT GRADE CROSSING AT DOWNTOWN TRANSIT CENTER</u>	249
		<u>Recommended Action(s):</u>	
		<i>Redevelopment Agency:</i>	
		Action- <u>Appropriate</u> an additional \$100,000 from the unappropriated RDA Fund Balance for this project.	
		<i>City Council</i>	
		Action- <u>Authorize</u> the City Manager, Subject to Review by City Attorney, to Execute an Agreement with Union Pacific Railroad to Perform Work Related to the Downtown Transit Center At-Grade Pedestrian Crossing in an Amount Not to Exceed \$361,309.	

City Council Action

OTHER BUSINESS:

	Time Estimate		Page
22)	20 minutes	<u>REAL PROPERTY ACQUISITION PROCESS</u>	255
		<u>Recommended Action(s):</u> <u>Discuss</u> Issues and Provide Staff with Direction on How to Proceed.	
23)	10 minutes	<u>AUTHORIZE PROFESSIONAL SERVICES CONTRACT FOR PRELIMINARY DESIGN OF THE COMMUNITY INDOOR RECREATION CENTER</u>	263
		<u>Recommended Action(s):</u> <u>Authorize</u> the City Manager to Negotiate a Consultant Services Agreement with Noll & Tam Architects and Planners to Provide Preliminary Architectural Design Services for the Community Indoor Recreation Center in an Amount Not to Exceed \$195,281.	

24)	15 minutes	<u>CITY MANAGER’S EMPLOYMENT AGREEMENT</u> 267 Recommended Action(s): <u>Approve</u> an Amendment to the City Manager’s Employment Agreement and Consider a Subcommittee Report and Recommendations.
		<u>SECOND READING OF ORDINANCE:</u> Full Reading Waived By Majority Vote. (Government Code Section 36934) Action -- <u>Adopt</u> Ordinance by roll call vote.
25)	2 minutes	<u>ADOPT ORDINANCE NO. 1522, NEW SERIES AND ORDINANCE NO. 1523, NEW SERIES</u> 277 <u>ORDINANCE NO. 1522, NEW SERIES</u> – An Ordinance of the City Council of the City of Morgan Hill Approving A Zoning Amendment to Establish a Precise Development Plan for a 62 Unit R-1(7,000) & R-2 (3,500)/RPD Single-Family Residential Planned Development Located on the South Side of Llagas Avenue, and the West Side of Hale Ave. (APNS 764-32-005, 010 & 012), and <u>ORDINANCE NO. 1523, NEW SERIES</u> – An Ordinance of the City Council of the City of Morgan Hill Approving a Development Agreement, DA-00-09 for Applications MP 99-24 & MP 00-10: Llagas/Hale-Delco (APNS 764-32-005, 010 & 012)
26)	2 minutes	<u>ADOPT ORDINANCE NO. 1524, NEW SERIES AND ORDINANCE NO. 1525, NEW SERIES</u> 303 <u>ORDINANCE NO. 1524, NEW SERIES</u> – An Ordinance of the City Council of the City of Morgan Hill Approving a Zoning Amendment to Establish a Precise Development Plan for a 13 Unit Single -Family Attached Housing Project on a 4.13 Acre Parcel Located on the West Side of Hale Avenue, Approximately 1,000 Feet South of the Hale Avenue and Llagas Avenue Intersection. (APN 764-32-013), and <u>ORDINANCE NO. 1525, NEW SERIES</u> – An Ordinance of the City Council of the City of Morgan Hill Approving of a Development Agreement, Da-00-10 for Application MP 99-31: Hale Avenue -Delco (Sheng) (APN 764-32-013)
27)	2 minutes	<u>ADOPT ORDINANCE NO. 1526 NEW SERIES AND ORDINANCE NO. 1527 NEW SERIES</u> 327 <u>ORDINANCE NO. 1526, NEW SERIES</u> – An Ordinance of the City Council of the City of Morgan Hill Approving a Zoning Amendment to Establish a Precise Development Plan for a Six Single-family Residential Planned Development Located Between Nina Lane and Juan Hernandez Drive, North of Barrett Avenue, and South of San Pedro Avenue, and <u>ORDINANCE NO. 1527, NEW SERIES</u> – An Ordinance of the City Council of the City of Morgan Hill Approving a Development Agreement, DA-00-13 for Application MP 00-05: Nina Lane - Shaw (APN 817-60-020)

Redevelopment Agency Action

OTHER BUSINESS:

	Time Estimate		Page
28)	15 minutes	<u>COMMUNITY PLAYHOUSE</u> 349 Recommended Action(s): 1. <u>Approve</u> the Final Schematic Design for the Community Playhouse; and	

2. **Appropriate** Additional Funding for the Project Based on the Desired Scope of Work; or Reduce the Project Scope.

FUTURE COUNCIL-INITIATED AGENDA ITEMS:

Note: in accordance with Government Code Section 54954.2(a), there shall be no discussion, debate and/or action taken on any request other than providing direction to staff to place the matter of business on a future agenda.

ADJOURNMENT